# BEFORE THE SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34822



KANSAS CITY SOUTHERN, THE KANSAS CITY SOUTHERN RAILWAY COMPANY, AND MERIDIAN SPEEDWAY, LCC -- EXEMPTION FOR TRANSACTIONS WITHIN A CORPORATE FAMILY

FINANCE DOCKET NO. 34823 2/5590

THE KANSAS CITY SOUTHERN RAILWAY COMPANY
--TRACKAGE RIGHTS EXEMPTION-MERIDIAN SPEEDWAY, LLC

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MOTION FOR PROTECTIVE ORDER

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January 17, 2006

# BEFORE THE SURFACE TRANSPORTATION BOARD

#### **FINANCE DOCKET NO. 34822**

KANSAS CITY SOUTHERN, THE KANSAS CITY SOUTHERN
RAILWAY COMPANY, AND MERIDIAN SPEEDWAY, LLC -EXEMPTION FOR TRANSACTIONS WITHIN A CORPORATE FAMILY

#### **FINANCE DOCKET NO. 34823**

THE KANSAS CITY SOUTHERN RAILWAY COMPANY
--TRACKAGE RIGHTS EXEMPTION-MERIDIAN SPEEDWAY, LLC

#### MOTION FOR PROTECTIVE ORDER

Pursuant to 49 CFR 1104.14(b), Kansas City Southern ("KCS"), The Kansas City Southern Railway Company ("KCSR"), and Meridian Speedway, LLC ("MSLLC")(collectively, the "Parties") hereby move the Surface Transportation Board ("STB" or "Board") to enter a Protective Order (in the form set forth in Appendix A hereto) in the above-captioned proceedings. The order is required to permit the Parties to submit to the Board certain documents that contain highly sensitive commercial terms, and to make such documents available to outside counsel for interested parties, solely for use in these proceedings.

The Motion covers two different Notices of Exemptions (the "Notices"), which are being concurrently filed with this Motion. In Finance Docket No. 34822, the Parties seek to invoke the corporate family exemption pursuant to 49 CFR 1180.2(d)(3) and the procedures at 49 CFR 1180.4(g) for authorization for MSLLC's acquisition of KCSR's rail line between Meridian, MS

and Shreveport, LA ("the Line"), KCS's continuance in control of MSLLC when it becomes a carrier (upon acquiring the Line), and the subsequent grant back of operating rights by MSLLC to KCSR to allow KCSR to operate as MSLLC's contract operator in fulfilling MSLLC's contractual and common carrier obligations over the Line. In Finance Docket No. 34823, KCSR and MSLLC seek to invoke the trackage rights exemption pursuant to 49 CFR 1180.2(d)(7) and the procedures at 49 CFR 1180.4(g) for authorization for KCSR to acquire local and overhead trackage rights over the MSLLC Line once MSLLC acquires the Line from KCSR.

In Finance Docket No. 34822, the Parties are submitting (under seal) a complete unredacted set of the relevant agreements governing the various transactions. The agreements are being submitted under seal and have been stamped "Highly Confidential." In Finance Docket No. 34823, KCSR and MSLLC have submitted (under seal) an unredacted copy of the KCSR – MSLLC Joint Use Agreement, which governs KCSR's trackage rights over the Line. The KCSR – MSLLC Joint Use Agreement has been stamped "Highly Confidential" and should be treated as such. Public, redacted, versions of the various agreements have also been attached to the relevant Notices.

The information redacted from the public version of the agreements is highly confidential and contains commercially sensitive information. The proposed Protective Order is necessary to protect this highly confidential information from public disclosure. The requested Protective Order will enable the Parties to present the agreements to the Board (and, upon request, to outside counsel for interested parties), while at the same time preserving the confidentiality of

<sup>&</sup>lt;sup>1</sup> The Parties understand that Norfolk Southern Railway Company ("NSR") has, in Finance Docket No. 34821, Norfolk Southern Railway Company – Trackage Rights – Meridian Speedway, LLC – Between Meridian, MS and Shreveport, LA, also filed a Notice of Exemption governing NSR's acquisition of trackage and other rights over MSLLC's Line. NSR has also submitted a Motion for Protective Order in substantially the same form as the Motion submitted herein.

that sensitive information, and any other sensitive information that might be produced in connection with this proceeding.

The proposed Protective Order is modeled substantially on similar orders that the Board has entered in other recent proceedings. Accordingly, the Parties request that a Protective Order be entered in both F.D. No. 34822 and F.D. No. 34823, in the form set forth in Appendix A to this Motion, including the forms of confidentiality undertakings that accompany it.

Respectfully submitted this 17<sup>th</sup> day of January, 2006.

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#### APPENDIX A

#### PROTECTIVE ORDER

- 1. For purposes of this Protective Order:
  - (a) "Confidential Documents" means documents and other tangible materials containing or reflecting Confidential Information.
  - (b) "Confidential Information" means traffic data (including but not limited to waybills, abstracts, study movement sheets, and any documents or computer tapes containing data derived from waybills, abstracts, study movement sheets, or other data bases, and cost work papers), the identification of shippers and receivers in conjunction with shipper-specific or other traffic data, the confidential terms of contracts with shippers, or carriers, confidential financial and cost data, and other confidential or proprietary business or personal information.
  - (c) "Designated Material" means any documents designated or stamped as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL" in accordance with Paragraph 2 or 3 of this Protective Order, and any Confidential Information contained in such materials.
  - (d) "Proceedings" means those before the Surface Transportation Board ("Board") concerning the Notices of Exemption filed in Finance Docket Nos. 34822 and 34823, and any related proceedings before the Board, and any judicial review proceedings arising from Finance Docket Nos. 34822 or 34823, or from any other related proceedings before the Board.
- 2. If any party to these Proceedings determines that any part of a document it submits, discovery request it propounds, or a discovery response it produces, or a transcript of a deposition or hearing in which it participates, or of a pleading or other paper to be submitted, filed or served in these Proceedings contains Confidential Information or consists of Confidential Documents, then that party may designate and stamp such Confidential Information and Confidential Documents as "CONFIDENTIAL." Any information or documents designated or stamped as "CONFIDENTIAL" shall be handled as provided for hereinafter.
- 3. If any party to these Proceedings determines that any part of a document it submits, discovery request it propounds, or a discovery response it produces, or a transcript of a deposition or hearing in which it participates, or of a pleading or other paper to be submitted, filed or served in these Proceedings contains shipper-specific rate or cost data, trackage rights compensation levels or other competitively sensitive or proprietary information, then that party may designate and stamp such Confidential Information as "HIGHLY CONFIDENTIAL." Any information or documents so designated or stamped shall be handled as provided hereinafter.
- 4. Information and documents designated or stamped as "CONFIDENTIAL" may not be disclosed in any way, directly or indirectly, or to any person or entity except to an

employee, counsel, consultant, or agent of a party to these Proceedings, or an employee of such counsel, consultant, or agent, who, before receiving access to such information or documents, has been given and has read a copy of this Protective Order and has agreed to be bound by its terms by signing a confidentiality undertaking substantially in the form set forth at Exhibit A to this Order.

- 5. Information and documents designated or stamped as "HIGHLY CONFIDENTIAL" may not be disclosed in any way, directly or indirectly, to any employee of a party to these Proceedings, or to any other person or entity except to an outside counsel or outside consultant to a party to these Proceedings, or to an employee of such outside counsel or outside consultant, who, before receiving access to such information or documents, has been given and has read a copy of this Protective Order and has agreed to be bound by its terms by signing a confidentiality undertaking substantially in the form set forth at Exhibit B to this order.
- 6. Any party to these Proceedings may challenge the designation by any other party of information or documents as "CONFIDENTIAL" or as "HIGHLY CONFIDENTIAL" by filing a motion with the Board or with an administrative law judge or other officer to whom authority has been lawfully delegated by the Board to adjudicate such challenges.
- 7. Designated Material may not be used for any purposes, including without limitation any business, commercial or competitive purposes, other than the preparation and presentation of evidence and argument in Finance Docket Nos. 34822 and 34823 or any related proceedings before the Surface Transportation Board, and/or any judicial review proceedings in connection with Finance Docket Nos. 34822 and 34823 and/or with any related proceedings.
- 8. Any party who receives Designated Material in discovery shall destroy such materials and any notes or documents reflecting such materials (other than file copies of pleadings or other documents filed with the Board and retained by outside counsel for a party to these Proceedings) at the earlier of: (1) such time as the party receiving the materials withdraws from these Proceedings, or (2) the completion of these Proceedings, including any petitions for reconsideration, appeals, or remands.
- 9. No party may include Designated Material in any pleading, brief, discovery request or response, or other document submitted to the Board, unless the pleading or other document is submitted under seal, in a package clearly marked on the outside as "Confidential Materials Subject to Protective Order." See 49 CFR 1104.14. All pleadings and other documents so submitted shall be kept confidential by the Board and shall not be placed in the public docket in these Proceedings except by order of the Board or of an administrative law judge or other officer in the exercise of authority lawfully delegated by the Board.
- 10. No party may include Designated Material in any pleading, brief, discovery request or response, or other document submitted to any forum other than this Board in these Proceedings unless (1) the pleading or other document is submitted under seal in accordance with a protective order that requires the pleading or other document to be kept

confidential by that tribunal and not be placed in the public docket in the proceeding, or (2) the pleading or other document is submitted in a sealed package clearly marked, "Confidential Materials Subject to Request for Protective Order," and is accompanied by a motion to that tribunal requesting issuance of a protective order that would require the pleading or other document be kept confidential and not be placed in the public docket in the proceeding, and requesting that if the motion for protective order is not issued by that tribunal, the pleading or other document be returned to the filing party.

- 11. No party may present or otherwise use any Designated Material at a Board hearing in these Proceedings, unless that party has previously submitted, under seal, all proposed exhibits and other documents containing or reflecting such Designated Material to the Board, to an administrative law judge or to another officer to whom relevant authority has been lawfully delegated by the Board, and has accompanied such submission with a written request that the Board, administrative law judge or other officer (a) restrict attendance at the hearing during any discussion of such Designated Material, and (b) restrict access to any portion of the record or briefs reflecting discussion of such Designated Material in accordance with this Protective Order.
- 12. If any party intends to use any Designated Material in the course of any deposition in these Proceedings, that party shall so advise counsel for the party producing the Designated Material, counsel for the deponent, and all other counsel attending the deposition. Attendance at any portion of the deposition at which any Designated material is used or discussed shall be restricted to persons who may review that material under the terms of this Protective Order. All portions of deposition transcripts or exhibits that consist of, refer to, or otherwise disclose Designated Material shall be filed under seal and be otherwise handled as provided in Paragraph 9 of this Protective Order.
- 13. To the extent that materials reflecting Confidential Information are produced by a party in these Proceedings, and are held and/or used by the receiving person in compliance with Paragraphs 1, 2 or 3 above, such production, disclosure, holding, and use of the materials and of the data that the materials contain are deemed essential for the disposition of this and any related proceedings and will not be deemed a violation of 49 U.S.C. 11904 or of any other relevant provision of the ICC Termination Act of 1995.
- 14. All parties must comply with all of the provisions of this Protective Order unless the Board or an administrative law judge or other officer exercising authority lawfully delegated by the Board determines that good cause has been shown warranting suspension of any of the provisions herein.
- 15. Nothing in this Protective Order restricts the right of any party to disclose voluntarily any Confidential Information originated by that party, or to disclose voluntarily any Confidential Documents originated by that party, if such Confidential Information or Confidential Documents do not contain or reflect any Confidential Information originated by any other party.

## Exhibit A

# UNDERTAKING – CONFIDENTIAL MATERIAL

2006, governing the pin STB Finance Dockits terms. I agree not Documents obtained methodologies or tector information, for an argument in Finance Surface Transportation Finance Docket Nos. disclose any Confide data obtained pursua of the Order and who of this proceeding (in remand), I will promistamped as "CONFII other documents file."	have read the Protective Order served, oroduction and use of Confidential Information and Confidential Documents atet Nos. 34822 and 34823, understand the same, and agree to be bound by to use or permit the use of any Confidential Information or Confidential pursuant to that Protective Order, or to use or to permit the use of any hinques disclosed or information learned as a result of receiving such data by purpose other than the preparation and presentation of evidence and Docket Nos. 34822 and 34823, and/or any related proceedings before the on Board, and/or any judicial review proceedings in connection with 34822 and 34823 and/or with any related proceedings. I further agree not to intial Information, Confidential Documents, methodologies, techniques, or not to the Protective Order except to persons who are also bound by the terms of have executed Undertakings in the form hereof, and that at the conclusion including any proceeding on administrative review, judicial review, or ptly destroy any documents containing or reflecting materials designated or DENTIAL," other than file copies, kept by outside coursel, of pleadings and d with the Board.
of this Undertaking a documents shall be e as a remedy for any s posting of any bond	and that parties producing confidential information or confidential intitled to specific performance and injunctive and/or other equitable relief such breach, and I further agree to waive any requirement for the securing or in connection with such remedy. Such remedy shall not be deemed to be the breach of this Undertaking but shall be in addition to all remedies available
	Dated:

## Exhibit B

## UNDERTAKING -- HIGHLY CONFIDENTIAL MATERIAL

I,		unsel] [consultant] for	, for whom
2006, governing the in STB Finance Doci its terms. I agree not Documents obtained methodologies or tecor information, for a argument in Finance Surface Transportati Docket Nos. 34822 a disclose any Confide data obtained pursua	production and use of C ket Nos. 34822 and 348 t to use or to permit the pursuant to that Protect chniques disclosed or into my purpose other than the Docket Nos. 34822 and on Board, or any judicia and 34823 and/or with a cential Information, Confunt to the Protective Ord	confidential Information and Confidential Information and Confidential Information and agree use of any Confidential Information are or to permit the formation learned as a result of recommend the preparation and presentation of a 134823, and/or any related proceedal review proceedings in connection and presentation of the preparation of the preparation and presentation and presentation of the preparation and presentation of the preparation and presentation and presentation and presentation and presentation of the preparation and presentation an	e to be bound by on or Confidential ne use of any reiving such data evidence and dings before the n with Finance gree not to es, techniques, or
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		OUTSIDE [COUNSEL] [CONSI	ULTANT]
		Dated:	